

X - Judicial Branch

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SENATE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

X - Judicial Branch

Operating Budget

Summary Totals

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	274,911,700	274,911,700		265,785,800	265,835,800	50,000	295,885,800	295,885,800	
Restricted Funds	25,259,900	25,259,900		43,583,200	43,583,200		38,790,400	38,790,400	
Federal Funds	3,073,100	3,073,100		1,131,400	1,131,400		1,170,600	1,170,600	
Regular Total Funds	303,244,700	303,244,700		310,500,400	310,550,400	50,000	335,846,800	335,846,800	
Use of Continuing	(8,816,800)	(8,816,800)		12,032,000	12,032,000		508,400	508,400	
TOTAL FUNDS	294,427,900	294,427,900		322,532,400	322,582,400	50,000	336,355,200	336,355,200	

II. EXPENDITURE CATEGORY

Personnel Costs	196,040,400	196,040,400		200,055,700	200,055,700		195,123,900	195,123,900	
Operating Expenses	97,692,500	97,692,500		114,928,300	114,978,300	50,000	135,661,300	135,661,300	
Capital Outlay	695,000	695,000		7,548,400	7,548,400		5,570,000	5,570,000	
TOTAL EXPENDITURES	294,427,900	294,427,900		322,532,400	322,582,400	50,000	336,355,200	336,355,200	

III. BASE LEVEL BUDGET BY FUND SOURCE

General Fund	274,911,700	274,911,700		262,267,000	263,150,500	883,500	273,790,600	274,076,000	285,400
Restricted Funds	25,259,900	25,259,900		35,733,700	35,733,700		30,548,300	30,548,300	
Federal Funds	3,073,100	3,073,100		1,131,400	1,131,400		1,170,600	1,170,600	
Regular Total Funds	303,244,700	303,244,700		299,132,100	300,015,600	883,500	305,509,500	305,794,900	285,400
Use of Continuing	(8,816,800)	(8,816,800)		12,032,000	12,032,000		508,400	508,400	
TOTAL BASE LEVEL	294,427,900	294,427,900		311,164,100	312,047,600	883,500	306,017,900	306,303,300	285,400

IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE

General Fund				3,518,800	2,685,300	(833,500)	22,095,200	21,809,800	(285,400)
Restricted Funds				7,849,500	7,849,500		8,242,100	8,242,100	
TOTAL ADDITIONAL				11,368,300	10,534,800	(833,500)	30,337,300	30,051,900	(285,400)

SENATE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

X - Judicial Branch

Capital Budget

Summary Totals

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference

SENATE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

X - Judicial Branch

Operating Budget

Court of Justice Summary

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	271,656,500	271,656,500		260,021,000	260,071,000	50,000	290,106,700	290,106,700	
Restricted Funds	25,259,900	25,259,900		43,583,200	43,583,200		38,790,400	38,790,400	
Federal Funds	3,073,100	3,073,100		1,131,400	1,131,400		1,170,600	1,170,600	
Regular Total Funds	299,989,500	299,989,500		304,735,600	304,785,600	50,000	330,067,700	330,067,700	
Use of Continuing	(8,816,800)	(8,816,800)		12,032,000	12,032,000		508,400	508,400	
TOTAL FUNDS	291,172,700	291,172,700		316,767,600	316,817,600	50,000	330,576,100	330,576,100	

II. EXPENDITURE CATEGORY

Personnel Costs	195,620,400	195,620,400		199,590,900	199,590,900		194,644,800	194,644,800	
Operating Expenses	94,857,300	94,857,300		109,628,300	109,678,300	50,000	130,361,300	130,361,300	
Capital Outlay	695,000	695,000		7,548,400	7,548,400		5,570,000	5,570,000	
TOTAL EXPENDITURES	291,172,700	291,172,700		316,767,600	316,817,600	50,000	330,576,100	330,576,100	

III. BASE LEVEL BUDGET BY FUND SOURCE

General Fund	271,656,500	271,656,500		259,011,800	259,895,300	883,500	270,535,400	270,820,800	285,400
Restricted Funds	25,259,900	25,259,900		35,733,700	35,733,700		30,548,300	30,548,300	
Federal Funds	3,073,100	3,073,100		1,131,400	1,131,400		1,170,600	1,170,600	
Regular Total Funds	299,989,500	299,989,500		295,876,900	296,760,400	883,500	302,254,300	302,539,700	285,400
Use of Continuing	(8,816,800)	(8,816,800)		12,032,000	12,032,000		508,400	508,400	
TOTAL BASE LEVEL	291,172,700	291,172,700		307,908,900	308,792,400	883,500	302,762,700	303,048,100	285,400

IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE

General Fund				1,009,200	175,700	(833,500)	19,571,300	19,285,900	(285,400)
Restricted Funds				7,849,500	7,849,500		8,242,100	8,242,100	
TOTAL ADDITIONAL				8,858,700	8,025,200	(833,500)	27,813,400	27,528,000	(285,400)

SENATE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

X - Judicial Branch**Capital Budget****Court of Justice Summary**

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference

X - Judicial Branch**Operating Budget****Court Operations & Administration**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	193,575,400	193,575,400		180,746,300	180,796,300	50,000	180,746,300	180,746,300	
Restricted Funds	25,259,900	25,259,900		43,583,200	43,583,200		38,790,400	38,790,400	
Federal Funds	3,073,100	3,073,100		1,131,400	1,131,400		1,170,600	1,170,600	
Regular Total Funds	221,908,400	221,908,400		225,460,900	225,510,900	50,000	220,707,300	220,707,300	
Use of Continuing									
TOTAL FUNDS	221,908,400	221,908,400		225,460,900	225,510,900	50,000	220,707,300	220,707,300	
II. EXPENDITURE CATEGORY									
Personnel Costs	193,855,800	193,855,800		197,469,100	197,469,100		192,410,700	192,410,700	
Operating Expenses	27,482,600	27,482,600		27,281,800	27,331,800	50,000	27,726,600	27,726,600	
Capital Outlay	570,000	570,000		710,000	710,000		570,000	570,000	
TOTAL EXPENDITURES	221,908,400	221,908,400		225,460,900	225,510,900	50,000	220,707,300	220,707,300	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	193,575,400	193,575,400		180,746,300	180,746,300		180,746,300	180,746,300	
Restricted Funds	25,259,900	25,259,900		35,733,700	35,733,700		30,548,300	30,548,300	
Federal Funds	3,073,100	3,073,100		1,131,400	1,131,400		1,170,600	1,170,600	
Regular Total Funds	221,908,400	221,908,400		217,611,400	217,611,400		212,465,200	212,465,200	
Use of Continuing									
TOTAL BASE LEVEL	221,908,400	221,908,400		217,611,400	217,611,400		212,465,200	212,465,200	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund					50,000	50,000			
Restricted Funds				7,849,500	7,849,500		8,242,100	8,242,100	
TOTAL ADDITIONAL				7,849,500	7,899,500	50,000	8,242,100	8,242,100	
V. ADDITIONAL BUDGET ITEMS									
1 EXPAN Deputy Clerk Pay Increase									
ABR20A00009 Provides a pay increase for deputy clerks as provided for in the Judicial Branch Budget Recommendation, with the exception that Restricted Funds will be used.									
Restricted Funds				7,849,500	7,849,500		8,242,100	8,242,100	
Project Total				7,849,500	7,849,500		8,242,100	8,242,100	
2 NEW Bust of the late Justice McAnulty									
ABR20A00010 Provides funds for a bust honoring the late Justice. It will be placed permanently on the second floor of the Capitol.									
General Fund					50,000	50,000			
Project Total					50,000	50,000			

SENATE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

X - Judicial Branch**Operating Budget****Court Operations & Administration**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference
TOTAL ADDITIONAL				7,849,500	7,899,500	50,000	8,242,100	8,242,100	

COURT OPERATIONS & ADMINISTRATION

BRANCH BUDGET

The Judicial Branch Budget Bill continues services and statutory programs of the Judicial Branch of the government of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals, Circuit Courts, Family Courts, District Courts, Administrative Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by the offices of the Circuit Clerks. The bill includes funding to provide a five percent salary increment to all employees, a retirement contribution as requested by the Kentucky Employees Retirement System, and increases in health insurance rates, as required by the health insurance plan.

The State/Judicial Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Salary Adjustments: Funds are included to provide a five percent salary adjustment in fiscal year 2008-2009 and in fiscal year 2009-2010 for non-elected court personnel. Included are funds to provide for a five percent salary adjustment in fiscal year 2008-2009 and in fiscal year 2009-2010 for the Justices and Judges. Also included are funds for the salaries of the circuit clerks in fiscal year 2008-2009 and in fiscal year 2009-2010 as provided for in the Judicial Branch Budget Recommendation."

"Pay Equity: Included in the above General Fund appropriation is \$16,817,600 in fiscal year 2008-2009 and \$17,802,600 in fiscal year 2009-2010 for salary adjustments for all elected and non-elected officials. These amounts include an increase in the entry level salaries and a minimum across the board adjustment for each full-time and part-time employee."

"Drug Court Sites: Included in the above General Fund appropriation is \$1,996,900 in fiscal year 2008-2009 and \$2,065,600 in fiscal year 2009-2010 to replace Federal Funds from Operation UNITE for existing drug court sites whose funding is expected to expire during the 2008-2010 fiscal biennium. Also included in the above General Fund appropriation is \$470,000 in fiscal year 2008-2009 and \$470,000 in fiscal year 2009-2010 to replace Restricted Funds for existing drug court sites whose funding is expected to expire during the 2008-2010 fiscal biennium."

"Reinstatement of 2006 Funding: Included in the above General Fund appropriation is \$4,071,800 in fiscal year 2008-2009 and \$4,364,600 in fiscal year 2009-2010 to reinstate funding eliminated by the 2006 General Assembly for the 157 positions that were vacant as of August 1, 2005."

"Judgeships: Included in the above General Fund appropriation is \$1,245,300 in fiscal year 2008-2009 and \$1,174,100 in fiscal year 2009-2010 to support the establishment of one family court judgeship in the Sixth Circuit of Daviess County and one family court judgeship in the Fifteenth Circuit of Carroll, Grant, and Owen Counties."

COURT OPERATIONS & ADMINISTRATION

"E-Filing: Included in the above General Fund appropriation is \$2,989,800 in fiscal year 2008-2009 and \$2,522,400 in fiscal year 2009-2010 to support the establishment of an electronic case filing (e-filing) system to improve the efficiency of court operations, security of electronic information, and openness of the courts."

"Retirement Payouts: Included in the above Restricted Funds appropriation is \$6,544,700 in fiscal year 2008-2009 to support retirement payouts for Judicial Branch employees."

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House reduces General Fund support totaling \$65,367,600 in fiscal year 2008-2009 for additional fund requests including defined calculations, pay equity, drug courts, reinstatement of fiscal biennium 2006-2008 funding, family court judgeships, and electronic filing.

The House reduces General Fund support totaling \$79,055,100 in fiscal year 2009-2010 for additional fund requests including defined calculations, pay equity, drug courts, reinstatement of fiscal biennium 2006-2008 funding, family court judgeships, and electronic filing.

The House increases Restricted Fund support totaling \$10,000,000 in each fiscal year for pay raises for deputy clerks, and for the general operations of the Judicial Branch.

The House amends the State/Judicial Branch Budget Bill, Part I, Operating Budget to include the following language provisions:

"Salary Adjustments: Funds are included to provide a two percent salary adjustment in fiscal year 2008-2009 and in fiscal year 2009-2010 for non-elected court personnel, Justices, Judges, and circuit clerks."

"Pay Equity: Included in the above Restricted Funds appropriation is \$7,849,500 in fiscal year 2008-2009 and \$8,242,100 in fiscal year 2009-2010 for pay increases for deputy clerks as proposed in the Judicial Branch Budget Recommendation, except that Restricted Funds shall be utilized in place of General Fund moneys."

"Drug Court Sites: The Chief Justice may use Restricted Funds totaling \$1,996,900 in fiscal year 2008-2009 and \$2,065,600 in fiscal

COURT OPERATIONS & ADMINISTRATION

year 2009-2010 to replace Federal Funds from Operation UNITE for existing drug court sites whose funding is expected to expire during the 2008-2010 fiscal biennium."

The House adds Part I, Operating Budget, language provision as follows:

"Drug Testing Kits: Included in the above General Fund appropriation is \$3,000 in each fiscal year for drug testing kits for the Twentieth Judicial District."

The House deletes Part I, Operating Budget language provisions relating to **"Reinstatement of 2006 Funding, Judgeships, E-filing, and Retirement Payouts."**

SENATE REPORT

The Senate concurs with the House with the following changes:

The Senate adds in Part I, Operating Budget, General Fund support totaling \$50,000 in fiscal year 2008-2009 for the memorial of Justice McAnulty.

The Senate modifies Part I, Operating Budget, language provision as follows:

"Salary Adjustments: Funds are included to provide a one percent salary adjustment in fiscal year 2008-2009 and in fiscal year 2009-2010 for non-elected court personnel, Justices, Judges, and circuit clerks."

The Senate adds Part I, Operating Budget, language provisions as follows:

"Memorial of Justice McAnulty: Included in the above General Fund appropriation is \$50,000 in fiscal year 2008-2009 for an appropriate, permanent memorial bust of the late Supreme Court Justice William E. McAnulty to be displayed on the second floor of the Capitol."

"Funds Carry Forward: Notwithstanding KRS 45.229, any unexpended balance remaining at the close of fiscal year 2007-2008 shall not lapse and shall continue into fiscal year 2008-2009, and any unexpended balance remaining at the close of fiscal year 2008-2009 shall not lapse and shall continue into fiscal year 2009-2010."

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**SENATE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

COURT OPERATIONS & ADMINISTRATION

"Increase in Court Fees: Pursuant to its authority, if the Supreme Court increases any court fees, the additional income resulting from these fee increases, not to exceed \$5,000,000, shall be deposited in a trust and agency account for court operations. Any revenue generated by these increases in excess of \$5,000,000 shall be deposited into the court cost distribution fund established by KRS 42.320."

X - Judicial Branch**Operating Budget****Local Facilities Fund**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	78,265,500	78,265,500		79,274,700	79,274,700		109,360,400	109,360,400	
Regular Total Funds	78,265,500	78,265,500		79,274,700	79,274,700		109,360,400	109,360,400	
Use of Continuing	(9,001,200)	(9,001,200)		12,032,000	12,032,000		508,400	508,400	
TOTAL FUNDS	69,264,300	69,264,300		91,306,700	91,306,700		109,868,800	109,868,800	
II. EXPENDITURE CATEGORY									
Personnel Costs	1,764,600	1,764,600		2,121,800	2,121,800		2,234,100	2,234,100	
Operating Expenses	67,374,700	67,374,700		82,346,500	82,346,500		102,634,700	102,634,700	
Capital Outlay	125,000	125,000		6,838,400	6,838,400		5,000,000	5,000,000	
TOTAL EXPENDITURES	69,264,300	69,264,300		91,306,700	91,306,700		109,868,800	109,868,800	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	78,265,500	78,265,500		78,265,500	79,149,000	883,500	89,789,100	90,074,500	285,400
Regular Total Funds	78,265,500	78,265,500		78,265,500	79,149,000	883,500	89,789,100	90,074,500	285,400
Use of Continuing	(9,001,200)	(9,001,200)		12,032,000	12,032,000		508,400	508,400	
TOTAL BASE LEVEL	69,264,300	69,264,300		90,297,500	91,181,000	883,500	90,297,500	90,582,900	285,400
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				1,009,200	125,700	(883,500)	19,571,300	19,285,900	(285,400)
TOTAL ADDITIONAL				1,009,200	125,700	(883,500)	19,571,300	19,285,900	(285,400)
V. ADDITIONAL BUDGET ITEMS									
1 NEW Madison Family Court Lease									
ABR20Z00003 Provides funds to lease and furnish a 16,600 square foot building for the Madison Co. Family Court.									
General Fund				883,500		(883,500)	285,400		(285,400)
Project Total				883,500		(883,500)	285,400		(285,400)
2 EXPAN Courthouse Use Allowance and Furnishings.									
ABR20Z00004 Provides funds for use allowance and furnishings for new courthouses that were authorized in 2005 and 2006.									
General Fund				125,700	125,700		19,285,900	19,285,900	
Project Total				125,700	125,700		19,285,900	19,285,900	
TOTAL ADDITIONAL				1,009,200	125,700	(883,500)	19,571,300	19,285,900	(285,400)

LOCAL FACILITIES FUND

BRANCH BUDGET

The Judicial Branch Budget Bill continues services and statutory programs of the Judicial Branch of Government of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals, Circuit Courts, Family Courts, District Courts, Administrative Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by the offices of the Circuit Clerks. The bill includes funding to provide a five percent salary increment to all employees, a retirement contribution as requested by the Kentucky Employees Retirement System, and increases in health insurance rates, as required by the health insurance plan.

The State/Judicial Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Carlisle County Judicial Center: Included in the above appropriation is \$1,227,000 in fiscal year 2009-2010 to support six months of use allowance and furniture and equipment costs for the Carlisle County Judicial Center project."

"AOC Building: Included in the above appropriation is \$1,289,500 in fiscal year 2009-2010 to support six months of debt service for the construction of an Administrative Office of the Courts Building."

"Madison County Lease: Included in the above appropriation is \$883,500 in fiscal year 2008-2009 and \$285,400 in fiscal year 2009-2010 to support increased cost of leased space, furnishings, and infrastructure and security equipment for the expansion of the Madison County Family Court."

"Local Court Facility Compensation: Included in the above appropriation are moneys to compensate local units of government for providing court space and for costs incurred in the development of local court facilities as defined in KRS Chapter 26A and provided in Part II of this Act, and to perform all other acts required or authorized by KRS Chapter 26A."

"Funds Carry Forward: Notwithstanding KRS 45.229, any unexpended balance remaining at the close of fiscal year 2007-2008 shall not lapse and shall continue into fiscal year 2008-2009, and any unexpended balance remaining at the close of fiscal year 2008-2009 shall not lapse and shall be continued into fiscal year 2009-2010."

"Fayette County Courthouse Use Allowance: The use allowance for the Fayette County Courthouse is contingent upon Short Street in Lexington, Kentucky remaining open to traffic."

The State Judicial Branch Budget Bill, Part II, Capital Projects includes language provisions as follows:

LOCAL FACILITIES FUND

"AOC Building: General Fund support of \$1,289,500 is included in the Local Facilities Fund operating budget in fiscal year 2009-2010 to support six months of debt service for the construction of an Administrative Office of the Courts building. Annual operating costs totaling \$782,000 is being deferred to the 2010-2012 fiscal biennium."

"Local Facilities Projects

	Project	Scope	Maximum Annualized Use Allowance	Total Funds
001.	Allen	16,014,000	1,433,000	1,671,000
002.	Carlisle	12,899,400	1,154,000	1,381,000
003.	Lawrence	16,272,000	1,456,000	1,650,000
004.	Morgan	16,272,000	1,456,000	1,630,000

"Carlisle County Judicial Center: General Fund support for the use allowance payments and nonrecurring furniture and equipment cost for the Carlisle County Judicial Center is contained in the Local Facilities Fund Budget for fiscal year 2009-2010."

"Deferred Funding: General Fund support to provide operating costs totaling \$920,000, annualized use allowance payments totaling \$4,345,000, and nonrecurring furniture and equipment costs totaling \$2,671,000, less off-setting payments totaling \$314,000, for Allen, Lawrence, and Morgan County Judicial Center projects is deferred to the 2010-2012 fiscal biennium pending action of the 2010 General Assembly."

"Local Facilities Projects - Authorized: Nothing in this Act shall reduce the funding of court facility projects authorized by the General Assembly.

"Local Facilities Use Allowance Contingency Fund: For any court facility project which is occupied and use allowance funding is insufficient, the use allowance payments shall be approved from the Local Facilities Use Allowance Contingency Fund. If funds are not available in the Local Facilities Use Allowance Contingency Fund, the use allowance payments shall be deemed a necessary governmental expense (General Fund Surplus Account, KRS 48.700)."

HOUSE REPORT

LOCAL FACILITIES FUND

The House concurs with the Branch with the following changes:

The House reduces General Fund support totaling \$7,992,900 in fiscal year 2008-2009 for additional requests including defined calculations, pay equity, and reinstatement of fiscal biennium 2006-2008 funding.

The House reduces General Fund support totaling \$12,677,900 in fiscal year 2008-2009 for additional requests including defined calculations, pay equity, reinstatement of fiscal biennium 2006-2008 funding, construction of AOC Building, and county courthouse use allowance and furnishings.

The House deletes Part II, Capital Projects Budget language provision relating to "**AOC Building.**"

The House amends the State/Judicial Branch Budget Bill, Part II, Capital Projects Budget language to include the following language provisions:

"Local Facilities Projects

Project	Maximum Project Annualized		
	Scope	Use Allowance	Total Funds
001. Allen	16,014,000	1,433,000	1,671,000
002. Bracken	15,607,000	1,397,000	1,655,000
003. Carlisle	12,899,400	1,154,000	1,381,000
004. Lawrence	16,272,000	1,456,000	1,650,000
005. Morgan	16,272,000	1,456,000	1,630,000

"Deferred Funding: General Fund support to provide operating costs totaling \$1,215,700, annualized use allowance payments totaling \$5,742,000, and nonrecurring furniture and equipment costs totaling \$3,486,000, less off-setting payments totaling \$351,300, for Allen, Bracken, Lawrence, and Morgan County Judicial Center projects is deferred to the 2010-2012 fiscal biennium pending action of the 2010 General Assembly."

SENATE REPORT

The Senate concurs with the House with the following change:

LOCAL FACILITIES FUND

The Senate amends the State/Executive Branch Budget Bill, Part I, Operating Budget, by removing the language concerning **"Madison County Lease"** and **"Fayette County Courthouse Use Allowance"**.

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X - Judicial Branch**Capital Budget****Local Facilities Fund**

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference

II. CAPITAL PROJECTS**1 Construct Judicial Center in Allen County - Project Scope \$16,014,000**

PRJ20Z01596

Other Funds

Project Total**2 Construct Judicial Center in Carlisle County - Project Scope \$12,899,400**

PRJ20Z01598

Other Funds

Project Total**3 Construct Judicial Center in Lawrence County - Project Scope \$16,272,000**

PRJ20Z01600

Other Funds

Project Total**4 Construct Judicial Center in Morgan County -Project Scope \$16,272,000**

PRJ20Z01602

Other Funds

Project Total**5 House: Construct Judicial Center in Bracken County - Project scope: \$15,607,000**

PRJ20Z01604

Other Funds

Project Total**TOTAL CAPITAL**

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X - Judicial Branch**Operating Budget****Local Facilities Use Allowance Contingency Fund**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	(184,400)	(184,400)							
Regular Total Funds	(184,400)	(184,400)							
Use of Continuing	184,400	184,400							
TOTAL FUNDS									

III. BASE LEVEL BUDGET BY FUND SOURCE

General Fund	(184,400)	(184,400)	
Regular Total Funds	(184,400)	(184,400)	
Use of Continuing	184,400	184,400	
TOTAL BASE LEVEL			

LOCAL FACILITIES USE ALLOWANCE CONTINGENCY FUND

BRANCH BUDGET

The Judicial Branch Budget Bill continues services and statutory programs of the Judicial Branch of the government of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals, Circuit Courts, Family Courts, District Courts, Administrative Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by the offices of the Circuit Clerks. The bill includes funding to provide a five percent salary increment to all employees, a retirement contribution as requested by the Kentucky Employees Retirement System, and increases in health insurance rates, as required by the health insurance plan.

The State/Judicial Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs:

"Funds Carry Forward: Notwithstanding KRS 45.229, any unexpended balance remaining at the close of the fiscal year 2007-2008 shall not lapse and shall continue into fiscal year 2008-2009, and any unexpended balance remaining at the close of fiscal year 2008-2009 shall not lapse and shall continue into fiscal year 2009-2010 to provide for cost overruns in authorized court facilities projects not to exceed 15 percent of the use allowance in accordance with KRS Chapter 26A."

HOUSE REPORT

The House concurs with the Branch.

SENATE REPORT

The Senate concurs with the House.

X - Judicial Branch**Operating Budget****Judicial Form Retirement System**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference	House Budget	Senate Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	3,255,200	3,255,200		5,764,800	5,764,800		5,779,100	5,779,100	
Regular Total Funds	3,255,200	3,255,200		5,764,800	5,764,800		5,779,100	5,779,100	
Use of Continuing									
TOTAL FUNDS	3,255,200	3,255,200		5,764,800	5,764,800		5,779,100	5,779,100	
II. EXPENDITURE CATEGORY									
Personnel Costs	420,000	420,000		464,800	464,800		479,100	479,100	
Operating Expenses	2,835,200	2,835,200		5,300,000	5,300,000		5,300,000	5,300,000	
TOTAL EXPENDITURES	3,255,200	3,255,200		5,764,800	5,764,800		5,779,100	5,779,100	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	3,255,200	3,255,200		3,255,200	3,255,200		3,255,200	3,255,200	
Regular Total Funds	3,255,200	3,255,200		3,255,200	3,255,200		3,255,200	3,255,200	
Use of Continuing									
TOTAL BASE LEVEL	3,255,200	3,255,200		3,255,200	3,255,200		3,255,200	3,255,200	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				2,509,600	2,509,600		2,523,900	2,523,900	
TOTAL ADDITIONAL				2,509,600	2,509,600		2,523,900	2,523,900	
V. ADDITIONAL BUDGET ITEMS									
1 DC	Defined Calculation								
ABR020CDC000 Provides funds for the Judicial Retirement Plan as provided in the statutory actuarial report.									
General Fund				2,509,600	2,509,600		2,523,900	2,523,900	
Project Total				2,509,600	2,509,600		2,523,900	2,523,900	
TOTAL ADDITIONAL				2,509,600	2,509,600		2,523,900	2,523,900	

JUDICIAL FORM RETIREMENT SYSTEM

BRANCH BUDGET

The Judicial Branch Budget Bill continues services and statutory programs of the Judicial Branch of the government of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals, Circuit Courts, Family Courts, District Courts, Administrative Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by the offices of the Circuit Clerks. The bill includes funding to provide a five percent salary increment to all employees, a retirement contribution as requested by the Kentucky Employees Retirement System, and increases in health insurance rates, as required by the health insurance plan.

The State/Judicial Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Judicial Retirement Benefits: General Fund amounts are included to provide actuarial assessed judicial retirement benefits, pursuant to KRS 21.345 to 21.580."

HOUSE REPORT

The House concurs with the Branch.

SENATE REPORT

The Senate concurs with the House.

Judicial Part III - General Provisions

BRANCH BUDGET

The Judicial Branch Budget Bill, Part III, General Provisions, includes the following directives:

- 1. Expenditure Authority:** The Director of the Administrative Office of the Courts, with the approval of the Chief Justice, may expend any of the funds appropriated for the court operation and administration in any lawful manner and for any legal purpose that the Chief Justice shall authorize or direct. No executive agency of state government shall have the power to restrict or limit the expenditure of funds appropriated to the Judicial Branch of government.
- 2. Severability of Budget Provisions:** Appropriation items and sums in this Act conform to KRS 48.311. If any section, any subsection, or any provisions thereof shall be invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions.
- 3. Duplicate Appropriations:** Any appropriation item and sum in this Act and in an appropriation provision in another Act of the 2008 General Assembly which constitutes a duplicate appropriation shall be governed by KRS 48.312.
- 4. Priority of Individual Appropriations:** KRS 48.313 shall control when a total or subtotal figure in this Act conflicts with the sum of the appropriations of which it consists.
- 5. Carry Forward of Restricted and Federal Funds:** Notwithstanding KRS 45.229, any unexpended balance remaining in the Court's Restricted Funds accounts or Federal Funds accounts at the close of the fiscal years ending June 30, 2008, and June 30, 2009, shall not lapse and shall continue into the next fiscal year.
- 6. Final Budget Document:** The Chief Justice shall cause the Director of the Administrative Office of the Courts to prepare a final budget document reflecting the 2008-2010 biennial budget of the Court of Justice. A copy shall be provided to the Legislative Research Commission and an informational copy shall be furnished to the Finance and Administration Cabinet within 60 days of the adjournment of the 2008 Regular Session of the General Assembly.
- 7. Transferability of Funds:** The Chief Justice of the Commonwealth of Kentucky shall have the ability to transfer funds to other programs and budget units within the Judicial Branch. Any funds transferred to other budget units within the Judicial Branch may be used to support any activity, program, or operation of the budget unit or program receiving the respective funds.

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Judicial Part III - General Provisions

8. Appropriations Revisions: Proposed revisions to Restricted Funds and Federal Funds appropriations in this Act shall be made and reported pursuant to KRS 48.630(10). The Director of the Administrative Office of the Courts shall notify on a timely basis the Legislative Research Commission of the most current estimates of anticipated receipts for the affected fiscal year and an accompanying statement which explains such variations from the anticipated amount."

9. Maximum Salary of Trial Commissioners: Notwithstanding KRS 24A.100(3), funds are included to continue the statutory maximum salary of trial commissioners as provided for in the Judicial Branch Budget Recommendation.

10. Judicial Retirement: To achieve consistency with the Kentucky Court of Justice Personnel Policy Section 6.03(2), with respect to nonelected employees, the compensation payable to any Justice or Judge receiving retirement benefits from the Judicial Retirement Plan on account of prior judicial service shall be fixed at an amount whereby his or her total salary and retirement benefits shall not exceed the salary fixed for the judicial office held.

HOUSE REPORT

The House concurs with the branch with the following change:

The House adds the following language provision:

11. Expenditure of Restricted Funds: Notwithstanding KRS 31A.010, 42.320(2)(e), 186.440, 186.531, 237.110(7), and 431.078, the Chief Justice may expend all restricted agency funds as necessary to meet the obligations of this Act and to effectively operate the Judicial Branch.

SENATE REPORT

The Senate concurs with the House with the following changes:

The Senate modifies Part I, Operating Budget, language provisions as follows:

7. Transferability of Funds: The Chief Justice of the Commonwealth of Kentucky shall have the ability to transfer funds to other programs and budget units within the Judicial Branch not to exceed \$5,000,000 during the 2008-2010 biennium. Any funds transferred to other budget units within the Judicial Branch may be used to support any activity, program, or operation of the budget unit or program receiving the respective funds.

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Judicial Part III - General Provisions

11. Expenditure of Restricted Funds: Notwithstanding KRS 31A.010, 42.320(2)(e), 186.440, 186.531, 237.110(7), and 431.078, after allocating and committing Restricted Funds for deputy clerk pay increases as set forth in this Act, the Chief Justice may expend all restricted agency funds as necessary to meet the obligations of this Act and to effectively operate the Judicial Branch.

The Senate adds Part I, Operating Budget, language provisions as follows:

12. Layoff of Judicial Branch Personnel: Notwithstanding any provision of this Act or any personnel policies or layoff plans adopted by the Judicial Branch to the contrary, any layoff of Judicial Branch employees shall be implemented as follows:

- (a) The first 50 persons laid off shall be those stationed in the Judicial Branch's central offices in Franklin County; and
- (b) Thirty-five percent of any additional persons laid off shall also be those stationed in the Judicial Branch's central offices in Franklin County.

13. Collections Pilot Project: Notwithstanding KRS 45.241, the Administrative Offices of the Courts shall institute a pilot project to collect previously unidentified liquidated debt owed to the Court of Justice. The Administrative Office of the Courts shall provide a progress report to the Interim Joint Committee on Appropriations and Revenue by September 1, 2009. Up to 25 percent of money collected through the pilot project, shall be remitted to a trust and agency account with the Administrative Office of the Courts. The remainder of the money collected shall be deposited into the court cost distribution fund established by KRS 42.320.

14. Diversion Programs and Deferred Court Costs: No diversion program shall be authorized or operated by the County or Commonwealth's Attorney, or any other entity, without the written approval of the Chief Justice of the Kentucky Supreme Court, and no Circuit or District Court costs shall be deferred unless an appropriate fee in lieu of court costs is imposed. Any fees collected in lieu of court costs, not to exceed \$5,000,000 in each fiscal year, shall be remitted to a trust and agency account with the Administrative Office of the Courts. Any fees collected in excess of \$5,000,000 shall be deposited into the court costs distribution fund established by KRS 42.320.

15. Temporary Custody and Commitment Orders: Notwithstanding KRS 620.220(1), the clerk of the court shall forward to the Administrative Office of the Courts Citizen Foster Care Review Board Program a copy of each temporary custody order and commitment order, or electronic notification thereof, in the manner prescribed by the Administrative Office of the Courts within 14 days of the date the order is issued.

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Judicial Part IV - Budget Reduction or Surplus Expenditure Plan

BRANCH BUDGET

The Judicial Branch Budget Bill, Part IV, Budget Reduction or Surplus Expenditure Plan, includes the following directive:

The Judicial Branch shall participate in any Budget Reduction Plan or Surplus Expenditure Plan in accordance with the provisions of KRS Chapter 48.

HOUSE REPORT

The House concurs with the Branch.